

UTILITIES SERVICE BOARD MEETING
February 23, 2004

UTILITIES SERVICE BOARD MEETINGS ARE RECORDED ELECTRONICALLY OR STENOGRAPHICALLY AND ARE AVAILABLE DURING REGULAR BUSINESS HOURS IN THE OFFICE OF THE DIRECTOR OF UTILITIES.

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:00 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Tom Swafford, Jeff Ehman, Alisa Brown, Dick Eherenman, Tim Henke, Sam Vaught, Jeff White, and ex-officio member Tom Micuda. Staff members present: Patrick Murphy, Mike Bengtson, John Langley, Margaret Dalle-Ave, Steve Saulter, Steve Drake, Mike Hicks, Nathan Schulte, Tom Staley, and Rebecca Lambert. Also present: Janice Jones and Gary Kent.

MINUTES:

Board Vice President Ehman requested that the following changes be made in the minutes:

- Page 2, paragraph entitled OLD BUSINESS, line 3, change word cop to copy
- Page 2, paragraph entitled REPORT ON FIRE EXPENDITURES, add the following to the last line: Payment will need to be made for the space in the North Showers Complex that is currently being occupied by the Utilities Department. This payment cannot be made until a contract has been signed by both the Utilities Department and Indiana University.

The requested changes were made by Board Secretary Whaley.

EHERENMAN MOVED AND VAUGHT SECONDED THE MOTION TO APPROVE MINUTES FOR THE FEBRUARY 9, 2004, MEETING AS AMENDED. MOTION CARRIED. 7 AYES.

CLAIMS:

VAUGHT MOVED AND EHERENMAN SECONDED THE MOTION TO APPROVE THE REGULAR CLAIMS AS FOLLOWS:

CLAIMS 0490367 THROUGH 0490430 INCLUDING \$69,158.02 FROM THE WATER OPERATIONS & MAINTENANCE FUND FOR A TOTAL OF \$69,158.02 FROM THE WATER UTILITY; CLAIMS 0430163 THROUGH 0430193 INCLUDING \$169,387.37 FROM THE WASTEWATER OPERATIONS & MAINTENANCE FUND AND \$28,804.00 FROM THE WASTEWATER CONSTRUCTION FUND FOR A TOTAL OF \$198,191.37 FROM THE

WASTEWATER UTILITY; AND CLAIMS 0480423 AND 0430180 INCLUDING \$124.65 FROM THE WASTEWATER/STORMWATER FUND FOR A TOTAL OF \$124.65 FROM THE WASTEWATER/STORMWATER UTILITY. TOTAL CLAIMS APPROVED – \$267,474.04.

MOTION CARRIED. 7 AYES.

CUSTOMER REQUEST FOR REVIEW:

Janice Jones explained that she owns property at 2309 S. Madison. She thought this property was on sewer when she purchased it and paid sewer charges as sent to her by the Utilities Department. When she had trouble with leakage from her area sometime in 2002, she had her problem checked by the Utilities Department and was informed by the CBU representative that he was 80% sure that she was on septic tank only. Ms. Jones had the problem repaired, and it was discovered that the line had been severed in 1999 by Cinergy during the installation of an underground cable. Shortly after that, she quit receiving sewer charges. Then recently she started receiving sewer charges again in the amount of \$167.51. She does not feel she should have to pay that amount since the line had been severed and since she feels she was told that she was not hooked on to sewer.

Assistant Engineer Schulte explained that Ms. Jones' property is hooked on to both septic tank and sewer and that, as far as we know, the sewer was used during the time period in question.

Board member Vaught stated that this matter was discussed at an Administrative Subcommittee meeting on January 29, 2004. It was reviewed, and a recommendation was made to the Utilities Service Board that this amount not be waived since the sewer was used. The Utilities Service Board, on February 9, 2004, approved the Administrative Subcommittee recommendation and denied the request for waiving the amount of \$167.51 sewer charges.

After considerable discussion, the following motion was presented:

HENKE MOVED THAT THE AMOUNT OF \$167.51 BE WAIVED AS A SEWER CHARGE SINCE THE LINE WAS SEVERED AND PROBABLY NOTHING WENT THROUGH THE SEWER.

The motion died for lack of a second.

Board President Swafford recommended that this matter be taken back to the Administrative Subcommittee for further review and that records of the Transmission & Distribution Department examination in this matter be presented to the Subcommittee members at that time. Ms. Jones will be notified when this matter is rescheduled

REPORT ON FIRE EXPENDITURES:

Managerial Accountant Saulter presented Board members with an updated list of fire expenditures. (A copy of the list is attached to the minutes.) A total of \$750,000.00 has been received from the insurance company. Previous payments totaling \$556,476.04 have been made. An estimated total of rental for modular trailers through 12/31/04 is \$45,000.00. This leaves a remaining balance of \$70,793.72 of insurance proceeds. Board members will be kept updated in this matter.

FINANCIAL STATEMENTS:

Managerial Accountant Saulter presented Board members with a review of operating cash and cash equivalents and a review of accounts receivable. (A copy of each is attached to the minutes.) Utilities Director Murphy stated that the December financial reports are not quite ready to be presented to the Board. Mr. Murphy assured Board members that this was not the fault of the Accounting Department and that the reports will be presented to the Board members as soon as possible.

OLD BUSINESS:

Dick Eherenman –

Board member Eherenman inquired about the property at Adams Street and Bloomfield Road and whether or not Bill Brown had presented updates as agreed. Assistant Director Bengtson stated that as far as he knew no reports have been received but that someone would contact Mr. Brown about the matter.

Alisa Brown –

Board member Brown asked if anyone had read about the passage of House Bill 1293. Utilities Director Murphy stated that this matter is being closely monitored. The Bill passed the House and has gone to the Senate committee. The Bill is scheduled for second hearing before the House. Mr. Murphy stated that he conferred with representatives of the IURC and OUCC and that there may be some level of flexibility for catastrophic accounts. Board members will be kept updated about the matter.

SUBCOMMITTEE REPORTS:

No subcommittee meetings have been held recently; however, a Finance Subcommittee meeting is scheduled for February 25th. An Administrative Subcommittee meeting is scheduled for March 2nd.

STAFF REPORTS:

Utilities Director Murphy reported that several members of the Utilities Department attended the AWWA conference last week in Indianapolis.

PETITIONS AND COMMUNICATIONS:

No petitions and communications were presented.

ADJOURNMENT:

The meeting was adjourned at 5:47 p.m.

L. Thomas Swafford, President